

Work plan for Fiscal Year 2003

I. Program Title: Water Acquisition Program - CVPIA Sections 3406(b)(3), (d)(2) and (g)

II. Responsible Entities:

	Agency	Staff Name	Role
Lead	USBR	Mike Heaton	Program Manager
Co-Lead	USFWS	Dick Jewell	Coordinator

III. Program Objectives for FY 2003

The major Water Acquisition Program (WAP) objectives are:

- (A) To provide supplemental water supplies for refuges, referred to as Incremental Level 4, for critical wetland habitat supporting resident and migratory waterfowl, threatened and endangered species, and wetland dependent aquatic biota [CVPIA Sections 3406(b)(3) and (d)(2)].
- (B) To acquire water to improve spawning and rearing habitat and increase migration flows for fall-, winter- and spring-run Chinook Salmon and steelhead, in support of the Anadromous Fish Restoration Plan [CVPIA Section 3406(b)(3)] and in coordination with the CALFED Environmental Water Program and Environmental Water Account.
- (C) To acquire and manage instream flows in support of the Vernalis Adaptive Management Plan (VAMP) and the San Joaquin River Agreement (SJRA) [CVPIA Sections 3406 (g) and 3406(b)(3)].

IV. Status of the Program

In FY02, the Water Acquisition Program (WAP) continued efforts to:

- (A) Provide supplemental refuge water supplies (Incremental Level 4) through annual purchases. Provide additional instream flows in support of SJRA and VAMP.
- (B) Provide flows for out-migration, migration, holding, spawning, and rearing habitat for anadromous fish in Central Valley tributaries. Develop a long-term plan for instream and refuge water acquisitions.

Outstanding issues and work continuing in progress include:

- (A) Identification by the Service of water acquisition priorities for anadromous fish, pursuant to Section 3406(b)(3) of the CVPIA.

- (B) Financial constraints on the acquisition of 100% of Incremental Level 4 supplies due to:
- The increasing price of water.
 - Inadequate funding due to limits of Restoration Fund.
- (C) Development of a plan for the long-term acquisition of Incremental Level 4 refuge water supplies, including a study of groundwater conditions at CVPIA refuges.

V. FY 2002 Accomplishments

Delivery Period	Seller	Quantity (AF)	Cost	Unit Cost per AF	Purpose
Oct 01	San Joaquin River Exchange Contractors	15,851	\$2,139,940	\$135	Contract yr 2001 Level 4 Refuge Water
Oct-Nov 01	San Luis Canal Company	7,905	\$1,185,750	\$150	Contract yr 2001 Level 4 Refuge Water
Oct-Dec 01	Merced ID	12,500	\$200,000 (FY01 \$581,900)	\$62.04	Fall attraction flows and habitat improvement in Merced and lower SJR
Nov 01	San Luis Water District	3,100	\$387,500	\$125	Contract yr 2001 Level 4 Refuge Water
Apr-May 02	San Joaquin River Group Authority	up to 110,000	\$4,202,176 (FY01 \$6,400)	N/A	VAMP 31-day pulse flow at Vernalis in April-May
Apr – Aug 02	Oakdale ID	22,205	\$1,332,300	\$60	Stanislaus River flows; lower SJR flows; water quality; any authorized New Melones purpose
Apr 02 - Feb 03	San Joaquin River Exchange Contractors	64,500	\$7,740,000	\$120.00	Contract yr 2002 Level 4 Refuge Water
March 02	Del Puerto WD	2,000	\$127,000	\$63.50	Contract yr 2002 Level 4 Refuge Water
March 02	Banta Carbona ID	2,000	\$125,000	\$62.50	Contract yr 2002 Level 4 Refuge Water
April 02	Broadview WD	4,000	\$400,000	\$100.00	Contract yr 2002 Level 4 Refuge Water
Jun – Jul 02	Natomas Central	855	\$25,650	\$30.00	Contract yr 2002 Level

	MWC				4 Refuge Water
Jun – Jul 02	Sutter Mutual Water Co	1,202	\$36,060	\$30.00	Contract yr 2002 Level 4 Refuge Water
Jun – Jul 02	Rec. Dist. 108	2,458	\$73,740	\$30.00	Contract yr 2002 Level 4 Refuge Water
Sep – Oct 02	Patterson ID	825	\$66,000	\$80.00	Contract yr 2002 Level 4 Refuge Water
Sep – Oct 02	Banta Carbona ID	4,000	\$320,000	\$80.00	Contract yr 2002 Level 4 Refuge Water
Sep – Dec 02	Lost Hills WD	3,550	\$426,000	\$120.00	Contract yr 2002 Level 4 Refuge Water
Sep-Oct 02	Dept of Water Resources	9,050	\$185,073	\$20.45	Wheeling costs for North of Delta water

VI. Tasks, Costs, Schedules and Deliverables

A. Narrative explanations of Tasks

1. Management Program. This is based on 5.4 positions for Reclamation and 1.25 positions for the Service. **Estimated Annual Cost** = \$860,000
2. Level 4 Refuge Water for FY03 (1st Quarter). No additional acquisitions of Incremental Level 4 water will be necessary during the 1st quarter of FY03; all water delivered during this period has been purchased with FY02 funds.
3. Merced I.D. SJRA Fall Flows (1st Quarter). This payment is for approximately 12,500 AF of instream flow in the Merced River in the fall months of 2002, under the SJRA. **Estimated Cost** = \$800,000 (To be paid with FY02 Funds)
4. VAMP Spring Flows (2nd Quarter). San Joaquin River Group Authority delivers up to 110,000 AF for VAMP. Total payment obligation is approximately \$4,300,670. Federal share is approximately \$2,968,670. State Cost Share is \$1,332,000.
5. San Joaquin River Agreement/Oakdale ID Flows (2nd Quarter). Oakdale Irrigation District (OID) delivers up to 15,000 AF at \$60 per AF under the terms of the SJRA. This water may be used for any authorized purposes of the CVP on the Stanislaus and San Joaquin Rivers. **Estimated Cost** = \$900,000. (\$50,000 to be paid with FY02 Funds)
6. San Joaquin River Agreement - Additional Flows from OID. OID may provide up to 11,000 AF at \$60 per AF under terms of the SJRA. This water represents the unused portion of OID's commitment of up to 11,000 AF for the spring pulse flow provided under VAMP. **Estimated Cost** = \$660,000
7. VAMP Double-Step Flows (2nd Quarter). Funds for this purpose are needed only if: 1) the current water year is classified as a double-step year based on the criteria given in VAMP, and 2) if meeting the VAMP flow objective requires more than 110,000 acre feet of supplemental water. If these flows are not required, all or part of these funds may become available for other CVPIA Program needs. **Budgeted Funds** = \$2,000,000
8. VAMP Environmental Monitoring (2nd Quarter). This represents estimated VAMP monitoring costs. **Estimated Cost** = \$120,000
9. Level 4 Refuge Water Supplies (2nd, 3rd and 4th quarters). The need for Incremental Level 4 refuge water supplies for Contract Year 2003 (February 2003 through March 2004) is approximately 110,000 AF based on existing needs, conveyance capability, and ability to beneficially use supplemental water on the refuges. At an estimated cost of \$120 per AF, the acquisition cost of 110,000 AF is \$13,200,000. Based on the estimate of available funds remaining in the Fiscal Year 2003 budget after Tasks 1 through 8 are taken care of and providing a nominal amount for instream acquisition and planning, there will be enough money to purchase approximately 30,000 AF of Incremental Level 4 refuge water. Additional funds may become available in Fiscal Year 2003 for purchases of Level 4 water from the following sources: 1) reallocated State Cost Share for VAMP flows (Task 4), reallocated double-step funds (Task 7), and other de-obligated or realigned funds from the FY03 budget. **Estimated Cost** = \$13,200,000. **Available Funds** = \$ 3,930,330. **Unfunded Need** = \$9,269,670.

Note: Tasks 3, 4, 5 and 6 represent commitments made by the United States as signatory to the San Joaquin River Agreement (SJRA) which is implemented pursuant to State Water Resources Control Board Decision 1641. Tasks 6 and 7 are mutually exclusive program elements of SJRA/VAMP. If double-step flows (Task 7) are required, then OID's remainder water (Task 6) is zero. Double-Step years are defined in the San Joaquin River Agreement as a function of the current and previous water year's hydrologic classification. This has a potentially significant impact on the amount of funding available for Level 4 acquisitions.

10. Potential Instream Flows Acquisitions. In order to meet CVPIA and anadromous Fish Restoration Program (AFRP) goals and objectives, there is a need to increase stream flows through acquisitions (by purchase, lease, or exchange) of available water rights. WAP is aware of several possibilities on Butte Creek, approximating 20 cfs, which may be made available for transfer or other acquisition. Assume for budget purposes purchase of 5000 AF at \$500 per AF.

Estimated Cost = \$2,500,000. **Available Funds** = \$250,000. **Unfunded Need** = \$2,250,000.

11. Planning. Long term planning work for Level 4 and instream flow acquisitions will continue. There may be a need for additional technical and/or consulting support for Program staff. **Assumed Cost:** \$250,000

Summary of Part VI:

Total Costs for Tasks 1 through 11 Proposed for FY03 Funding: \$24,740,670

Total Proposed Budget Funding for FY03: \$13,221,000

Total Additional Funding Needed: \$11,519,670

The "Total Cost" amount includes VAMP double-step and the OID remainder water. Both of these costs will not be incurred in the same year. If 2003 is not a double-step year and those funds are made available to WAP, the funding shortfall would be reduced by \$2,000,000. If the state cost share on VAMP is made available to WAP, that would further reduce the funding shortfall by \$1,332,000.

B. Schedule and Deliverables

#	Task	Dates		Deliverable
		Start	Complete	
3	Merced I.D. SJRA Fall Flows	Oct 02	Oct 02	Up to 12,500 AF per SJRA
4	VAMP Spring Pulse Flows	Apr 03	May 03	Up to 110,000 AF per SJRA/VAMP
5	OID additional water	Apr 03	Sep 03	Up to 15,000 AF - typically fall fish flow water provided at New Melones Reservoir to be used for habitat improvement in Stanislaus and lower San Joaquin rivers
6	OID remainder water from VAMP 2003 (per SJRA)	Aug 03	Sep 03	Up to 11,000 AF after VAMP flows
7	VAMP Double-Step Flows	Apr 03	May 03	Up to 47,000 AF per SJRA
8	VAMP Environmental Monitoring	Jan 03	May 03	N/A
9	Level 4 Refuge Water Contract Year 2003	Mar 03	Sep 03	Agreements for up to 30,000 AF

Schedule and Deliverables - Additional Funding Needs

#	Task	Dates		Deliverable
		Start	Complete	
9	Level 4 Refuge Water	Mar 03	Sep 03	Contract/Agreements for up to 80,000 AF
10	Instream Flow Acquisitions	Jan 03	Sep 03	Contracts/Agreements for up to 20 cfs instream flows
11	Planning	Oct 02	Sep 03	Continued long term planning

C. Summary of Program Costs and Funding Sources.

#	Task	Total Cost	Funding Sources	Prop 204
			RF	
1	Program Management	\$860,000	\$860,000	
3	Merced I.D. SJRA Fall Flows	\$800,000 ¹	\$800,000	
4	VAMP Spring Pulse Flows	\$4,300,670	\$2,968,670	\$1,332,000
5	OID SJRA Flows	\$900,000 ²	\$850,000	
6	Additional OID SJRA Flows	\$660,000	\$660,000	
7	VAMP Double-Step	\$2,000,000	\$2,000,000	
8	VAMP Environmental Monitoring	\$120,000	\$120,000	
9	Level 4 Refuge Water	\$3,930,330	\$3,930,330	
10	Instream Flow Acquisitions	\$250,000	\$250,000	
11	Planning	\$250,000	\$250,000	
Total Program Budget of 03 Funds		\$11,889,000		

¹To be paid with FY02 funds.

²\$50,000 to be paid with FY02 funds.

D. CVPI A Program Budget

#	Task	FTE	Direct Salary and Benefits Costs	Contract Costs	Misc. Costs	Admin Costs	Total Costs
1	Program Task	6.65	\$582,243	\$0	\$0	\$277,757	\$860,000
3,5,6,10,11	Program Task (USFWS)	1.25	\$147,875	\$0	\$0	\$29,575	\$177,450
2,3,5,6,9,10,11	BOR	5.23	\$399,977	\$5,940,330	0	\$240,814	\$6,581,121
4,7,8	VAMP Double-Step	.17	\$34,391	\$4,420,670 ¹ \$2,000,000	0	\$7,368	\$4,462,429 \$2,000,000
	Total by Category	6.65	\$582,243	\$12,361,000	0	\$277,757	\$13,221,000

¹ Includes \$1,332,000 from Prop 204.

VII. Future Years Commitments/Actions

SJRA/VAMP is a 12-year annual commitment (through 2010) to compensate members of the San Joaquin River Group Authority for the provision of up to 110,000 af of water to meet the VAMP flow requirements, plus up to 47,000 af in “double step” years, plus additional flows provided by Merced and Oakdale ID’s. Total cost in 2000 dollars was \$5,888,500, indexed through the end of the agreement.

Incremental Level 4 Refuge Water supply needs will increase incrementally in the future from the 2002 level of approximately 100,000 AF to approximately 159,000 AF in 2010 as refuge conveyance systems are constructed or upgraded to allow full CVPIA mandated Level 4 water supply requirements to be beneficially used on the refuges. Also, the price of water is expected to increase incrementally consistent with historic trends.

There will be an increasing need to acquire water by purchase of water rights or long-term leases, to increase instream flows to benefit fish and wildlife consistent with the goals and objectives of CVPIA and the Anadromous Fisheries Restoration Program. This effort will be coordinated with the CALFED Environmental Water Program, which has similar program objectives.